



PHILIP L. BROWNING
Interim Director

**County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

Board of Supervisors

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

December 06, 2011

#15 DECEMBER 6, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**RECOMMENDATION TO APPROVE AMENDMENT NUMBER FOUR TO
URINE SAMPLE COLLECTION FOR DRUG AND ALCOHOL TESTING SERVICES CONTRACT
NUMBER 76862 WITH PACIFIC TOXICOLOGY LABORATORIES
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

The Department of Children and Family Services (DCFS) seeks to extend the Urine Sample Collection for Drug and Alcohol Testing Services, Contract Number 76862, with Pacific Toxicology Laboratories (PTL) for one additional year, effective January 1, 2012 through December 31, 2012. The extension will allow DCFS time to complete its negotiations with the Los Angeles County Department of Public Health (DPH) to implement "Project Screening and Assessment for Family Engagement" (Project SAFE), scheduled to begin on January 1, 2013.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chairman to sign Amendment Number Four (Attachment A) to the Urine Sample Collection for Drug and Alcohol Testing Services, Contract Number 76862, to extend the term of the Contract for one additional year, effective January 1, 2012 through December 31, 2012, to allow DCFS to complete its negotiations with DPH to implement Project SAFE, which is scheduled to begin on January 1, 2013.
2. Delegate authority to the Interim Director of DCFS or his designee to execute an additional six month optional extension consistent with California Department of Social Services (CDSS) regulations, if necessary, by amendment or written notice. The approval of the Chief Executive Office (CEO) and County Counsel will be obtained prior to executing such an amendment or written notice and the Interim Director will notify the Board and the CEO in writing within ten business days

after execution.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The current contract with PTL will expire on December 31, 2011. The recommended action to extend the existing contract for one additional year will give DCFS sufficient time to complete planning and negotiations with DPH to implement Project SAFE, which is scheduled to start on January 1, 2013.

The Urine Sample Collection for Drug and Alcohol Testing Services contractor provides DCFS an important tool when substance abuse is identified or is an alleged factor in child abuse or neglect cases. Through this testing, the contractor helps determine if treatment is needed, if the parents/caregivers are complying with treatment, and, ultimately, if children would be safe in the homes of these individuals.

The major limitation of the current program is that some substance abuse may be undetected. To resolve this problem, DCFS and DPH's Substance Abuse Prevention Control Division are developing a program called Project SAFE, which will screen parents/caregivers to identify alcohol/drug abuse and develop specific treatment recommendations to address the problem. Project SAFE is designed to enhance child safety particularly for those families receiving family reunification services.

On August 22, 2011, CDSS approved DCFS's request to extend the Contract with PTL from January 1, 2012 through December 31, 2012, to give DCFS the necessary time to complete negotiations to implement Project SAFE.

Implementation of Strategic Plan Goals

The contract extension is consistent with the principles of the Countywide Strategic Plan Goal #1, Operational Effectiveness: Strategy 2 - Service Excellence and Organizational Effectiveness; and Goal #5, Children and Families' Well-Being, through ensuring the safety of children in the homes of their parents and/or caregivers.

FISCAL IMPACT/FINANCING

The estimated aggregate Maximum Contract Amount for the one-year extension of the contract is \$1,400,000. The contract costs will be funded by 36 percent (\$504,000) Federal funds, 33 percent (\$462,000) State revenue, and 31 percent (\$434,000) net County Cost (NCC). Funding is included in the Department's Fiscal Year 2011-12 Adopted Budget and will be included for subsequent fiscal years in the Department's future budget requests.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract extension is authorized under CDSS Manual Letter No. OPS-01-02, Manual of Policies and Procedures Section 23-650.18 and Title 45, Code of Federal Regulations Section 92.36 (45 CFR 92.36). The six-month optional extension is authorized under CDSS Manual Letter No. OPS-01-02, Section 23-622.2 and Chapter 2.121.250 et seq. of the County Code, Contracting with Private Businesses.

The original contract with PTL was adopted by the Board on December 6, 2005, for the period January 1, 2006 through December 31, 2006, with two one-year options for renewal. Originally, the Maximum Annual Contract Sum was \$1,000,000 for each of the first three years, through December 31, 2008. On September 12, 2006, the Board approved an Amendment to increase the Maximum Annual Contract Sum by \$400,000, from \$1,000,000 to \$1,400,000 for each year of the contract, in order to accommodate an increase in the frequency of drug tests ordered by the Edmund D. Edelman Children's Court from a bi-weekly basis to a weekly basis in instances where bi-weekly testing proved ineffective.

On December 9, 2008, your Board adopted a new contract with PTL effective January 1, 2009 through December 31, 2009, with two additional one-year extension options through December 31, 2011, with a Maximum Annual Contract Sum of \$1,400,000 in order to maintain the same number of service units as in previous years.

Due to recent changes in State Insurance Regulations, new insurance language prepared by CEO Risk Management regarding "Cancellation of or Changes in Insurance" and "Failure to Maintain Insurance" is included in Amendment Number Four. The new language transfers the responsibility to the Contractor to ensure that the County receives proper notification of insurance changes or cancellations.

The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

CONTRACTING PROCESS

The current contract with PTL was solicited through an Invitation for Bids (IFB) and will expire on December 31, 2011. On August 22, 2011, CDSS approved the DCFS request for an additional one-year extension to the contract effective January 1, 2012 through December 31, 2012.

According to CDSS regulations in CDSS Manual Letter No. OPS-01-02, 23-622.2, Renewal Procedures, "If the County is unable to renegotiate the contract for the extended term, the County shall be permitted to extend the existing contract for a period not to exceed six months if such an extension is necessary to allow time for new bidding."

CONTRACTOR PERFORMANCE

The contractor has continually met all performance standards as outlined in the current contract and has been determined to be a responsive and responsible contractor by the County's Program Manager.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

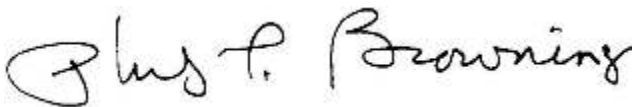
Approval of the additional one-year extension will allow the Department to complete the necessary negotiations with DPH so that Project SAFE can be implemented on January 1, 2013, without a

lapse in service in this court-mandated drug and alcohol testing program.

CONCLUSION

Upon Board approval, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board Letter to the Department of Children and Family Services.

Respectfully submitted,

A handwritten signature in black ink that reads "Philip L. Browning". The signature is written in a cursive, flowing style.

PHILIP L. BROWNING

Interim Director

PLB:CMM:AM

RD:bv

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Deputy Chief Executive Officer



AMENDMENT NUMBER FOUR TO
URINE SAMPLE COLLECTION FOR DRUG AND ALCOHOL
TESTING SERVICES

CONTRACT NUMBER 76862

WITH

PACIFIC TOXICOLOGY LABORATORIES

7 6 8 6 2
Supplement No. 1

AMENDMENT NUMBER FOUR
URINE SAMPLE COLLECTION FOR DRUG AND ALCOHOL TESTING SERVICES
CONTRACT NUMBER 76862
WITH
Pacific Toxicology Laboratories

This Amendment Number Four (hereinafter referred to as "Amendment") to the Urine Sample Collection for Drug and Alcohol Testing Services Contract Number 76862, (hereinafter referred to as "Contract") is made and entered into at Los Angeles, California this 6th day of December, 2011, by and between County of Los Angeles (hereinafter referred to as "COUNTY") and Pacific Toxicology Laboratories (hereinafter referred to as "CONTRACTOR").

WHEREAS, COUNTY and CONTRACTOR are parties to the Contract Number 76862, adopted by the Board on December 9, 2008, and CONTRACTOR has been providing Urine Sample Collection for Drug and Alcohol Testing Services to the COUNTY;

WHEREAS, a purpose of this Amendment is to extend the term of this Contract for one additional year, effective January 1, 2012 through December 31, 2012, and for an additional six months, if determined necessary by the County;

WHEREAS, another purpose of this Amendment is to amend insurance requirements due to changes in State Insurance Regulations;

WHEREAS, another purpose of this Amendment is to add notification of the newly developed "Contractor Alert Reporting Database" (CARD);

WHEREAS, this Amendment is prepared and executed by COUNTY and CONTRACTOR as set forth in Part II, STANDARD TERMS AND CONDITIONS, SECTION 7.0, CHANGES AND AMENDMENTS;

NOW THEREFORE, COUNTY and CONTRACTOR mutually agree to the following changes to the Contract:

1. Part I, UNIQUE TERMS AND CONDITIONS, SECTION 2.0, **TERM** is amended to add subparagraphs 2.1.3 and 2.1.4 to read as follows:
 - 2.1.3 The term of this contract is extended for one additional year, effective January 1, 2012 through December 31, 2012.
 - 2.1.4 This contract may be extended for an additional six months from January 1, 2013 through June 30, 2013, at the sole discretion of COUNTY, by amendment or written notice of the Interim Director of DCFS, or his designee, prior to the termination of the Contract.

2. Part I, UNIQUE TERMS AND CONDITIONS, SECTION 4.0, **INSURANCE REQUIREMENTS** Sub-sections 4.1.1.3 and 4.1.5 are amended to read as follows:

4.1.1.3 Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

4.1.5 Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

3. Part I, UNIQUE TERMS AND CONDITIONS, SECTION 10.0, **CONTRACTOR ALERT REPORTING DATABASE** is added to read as follows:

10.0 The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

ALL OTHER TERMS AND CONDITIONS OF THE CONTRACT REMAIN IN FULL FORCE AND EFFECT.

**AMENDMENT NUMBER FOUR
URINE SAMPLE COLLECTION FOR DRUG AND ALCOHOL
TESTING SERVICES CONTRACT NUMBER 76862**

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Amendment Number Four to be subscribed by its Chairman and the seal of such Board to be hereto affixed and attested by the Executive Office thereof, and CONTRACTOR has caused this Amendment Number Four to be subscribed on its behalf by its duly authorized officer(s) as of the day, month and year first above written. The person(s) signing on behalf of the CONTRACTOR warrant(s) under penalty of perjury that he or she is authorized to bind the CONTRACTOR in or to this Contract.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

COUNTY OF LOS ANGELES

15 DEC 6 2011

By: *[Signature]*
Chairman, Board of Supervisors

ATTEST:

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

SACHI A. HAMAI
Executive Officer-Clerk of the Court
Los Angeles County
Board of Supervisors

Pacific Toxicology Laboratories
Contractor

By: *Benjamin Zavala*
Deputy

By: *Greg Carroll*
Name: GREG CARROLL

Title: CFO

By: *[Signature]*

Name: R. Jeffrey Lankath

Title: CEO

APPROVED AS TO FORM:



BY THE OFFICE OF COUNTY COUNSEL
ANDREA SHERIDAN ORDIN, County Counsel

By: *David Beaudet*
David Beaudet, Senior Deputy County counsel

95 - 3926170

Tax Identification Number
pursuant to
Section 25403 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: *Benjamin Zavala*
Deputy